

Washington State Gambling Commission

Our Mission:

“Protect the Public by Ensuring that
Gambling is Legal and Honest”



Tribal Gaming Background

Washington State Constitution

In 1889, Art. 2 Section 24 of the Washington State Constitution provided:

LOTTERIES AND DIVORCE -- *The legislature shall never authorize any lottery or grant any divorce.*

How did we get from here to . . .





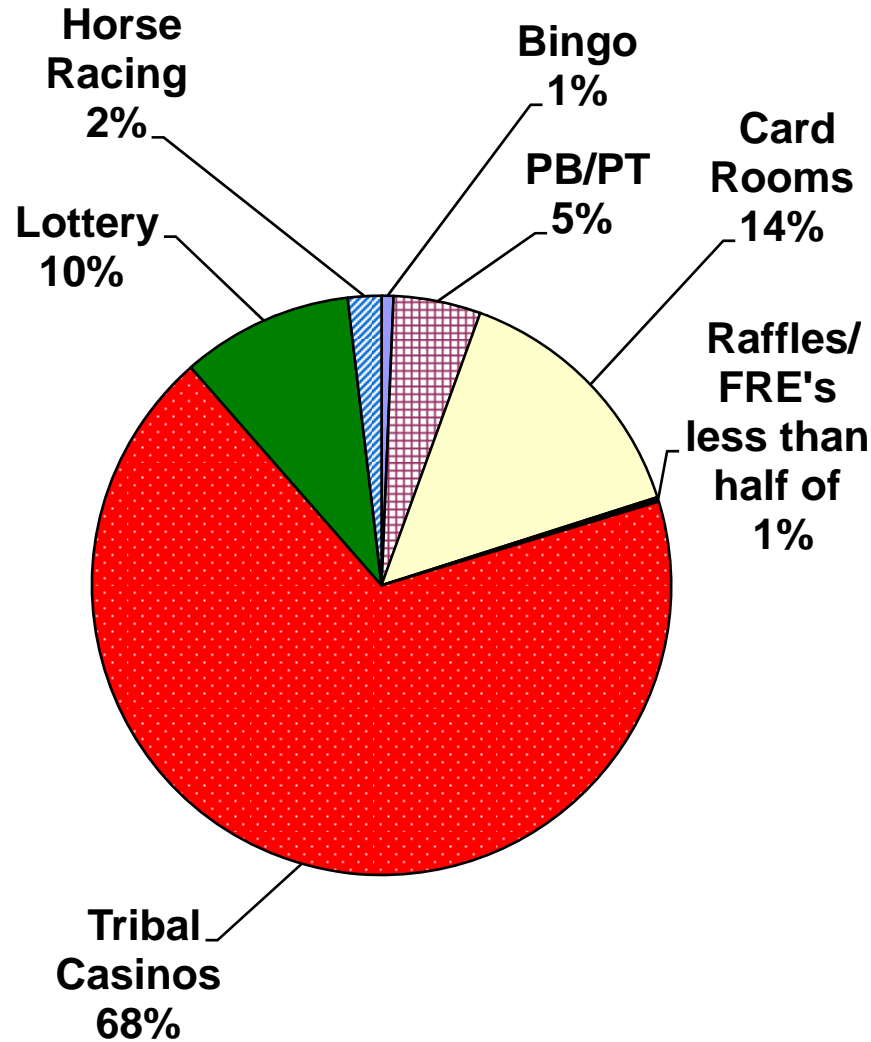
Existing Compacts – 2008



- First Compact – August 1991
- Compacts With 28 Of The 29 Recognized Tribes
- Tribal Lottery System (TLS) Approved In February 1999
- Appendix X2 Approved In 2007
- 21 Tribes Operate 27 Tribal Casinos

Net Receipts

2007



Bingo	13.0 M
PB/PT	95.6
Card Rooms	285.3
Raffles/FRE's	4.9
Tribal Casinos*	1,338.3
Lottery	187.8
Horse Racing	<u>36.7</u>

Total \$1.962B

*Estimated

State Gambling Laws

Constitution Amended (1972)

The Legislature amended Section 24, allowing an exception for lotteries authorized by:

- 60% of the members of each house, or**
- Referendum or initiative approved by 60% of the voters**

The Legislature Authorizes

- 1973 Social Gambling Activities
- 1977 Charitable And Nonprofit Organizations Authorized To Operate “Reno Nights”
- 1982 State Lottery

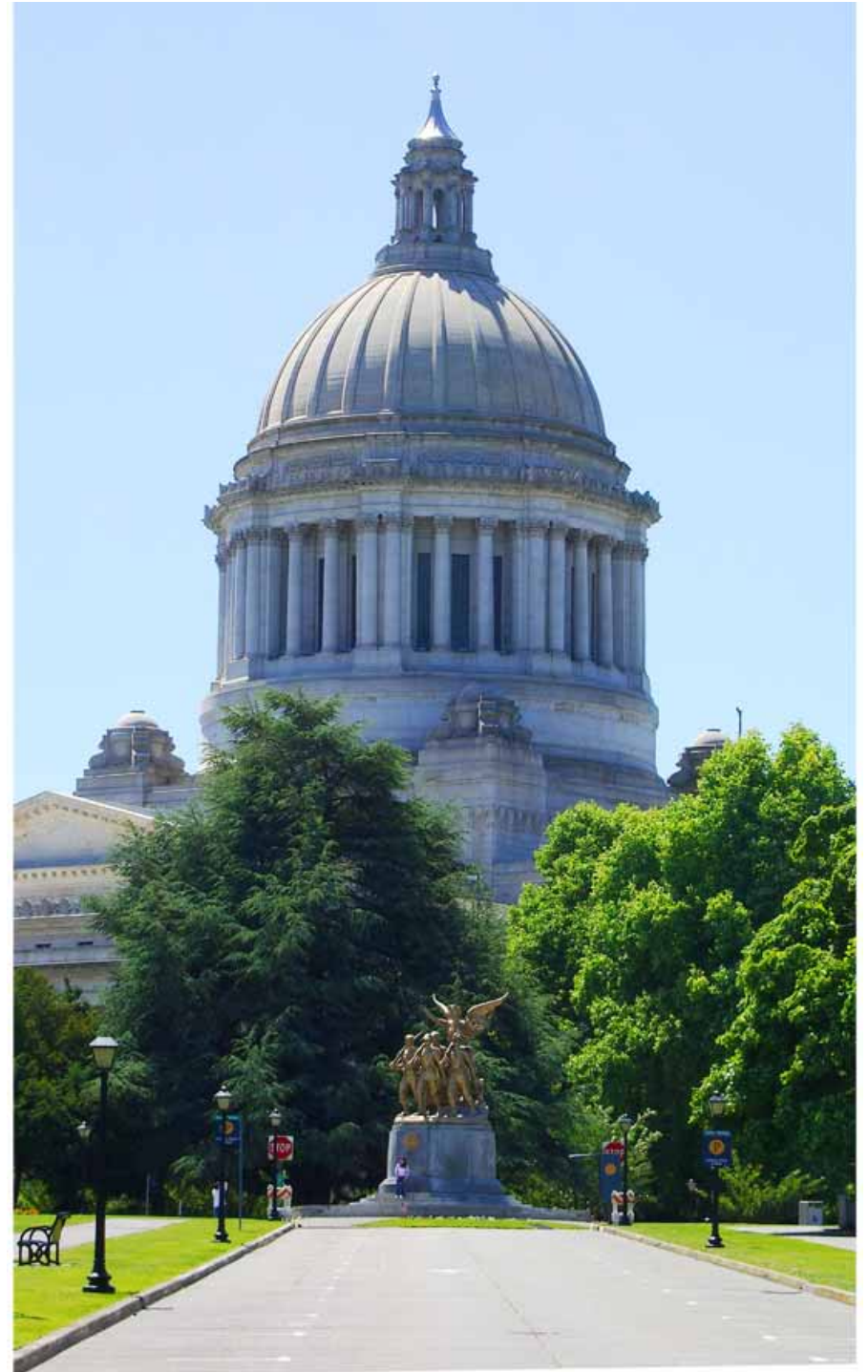
1994

Legislative Declaration

RCW 9.46.010

Washington's public policy on gambling is to:

- Keep the criminal element out of gambling
- Promote social welfare by limiting the nature and scope of gambling activities and by strict regulation and control.



United States Supreme Court

California v. Cabazon Band of Mission Indians (1987)

“Prohibitory Versus Regulatory”

“Because tribes are not subject to state regulatory enactments, the tribes are not obligated to comply with state imposed conditions or limitations on the gambling activities in question (480 U.S. 202)”

Indian Gaming Regulatory Act (1988)

IGRA

“ ...in a state that
permits such gaming
for any purpose by any
person, organization or
entity...”



IGRA

- Allows Gaming Activities Not Specifically Prohibited By Federal Law Or State Criminal Law
- Requires State To Negotiate In Good Faith
- Promotes Tribal Economic Development, Self Sufficiency, And Strong Tribal Governments
- Assures That Gaming Is Conducted Fairly And Honestly
- Identifies Three Types Of Gaming

Types of Gaming

- **Class I** Includes Traditional Forms Of Indian Gaming (Tribally Regulated)
- **Class II** Includes Bingo And Pull-tabs (Tribal And Federal Regulation)
- **Class III** Includes Casino Games (Tribal, State, And Federal Regulation)

Mashantucket Pequot Tribe v. Connecticut (1990)

Connecticut

- Prohibited commercial gambling as a matter of criminal law and public policy
- Permitted “Las Vegas” casino-type games of chance to be conducted by nonprofit groups
- The two largest Indian casinos in the country

Washington

- 1977 - Legislature authorizes fund raising events or “Reno Nights”
- First compact entered into in August 1991
- State currently has compacts with 28 of the 29 recognized tribes

In Conformance With A Tribal-State Compact



Negotiated In Good Faith

Tribal Compacts Incorporate Many State Gambling Laws (RCW) That Protect Public Health, Safety, And Welfare:

9.46.0335

9.46.180

9.46.221

9.46.075

9.46.185

9.46.222

9.46.140

9.46.190

9.46.231

9.46.155

9.46.196

9.46.215

9.46.160

9.46.198

9.46.240

9.46.170

9.46.220

67.16.060

State of Washington v. The Confederated Tribes Of The Chehalis Reservation

Decision

- Federal Court Decision
- No Slots
- Potentially Other Forms Of Electronic Gambling
- Tribes & State Directed To Negotiate

Result

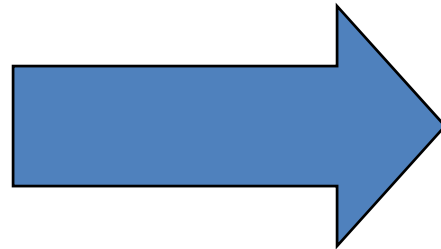
- Modeled After The State Lottery
- Played In An Electronic Environment

Appendix X

Tribal Lottery System

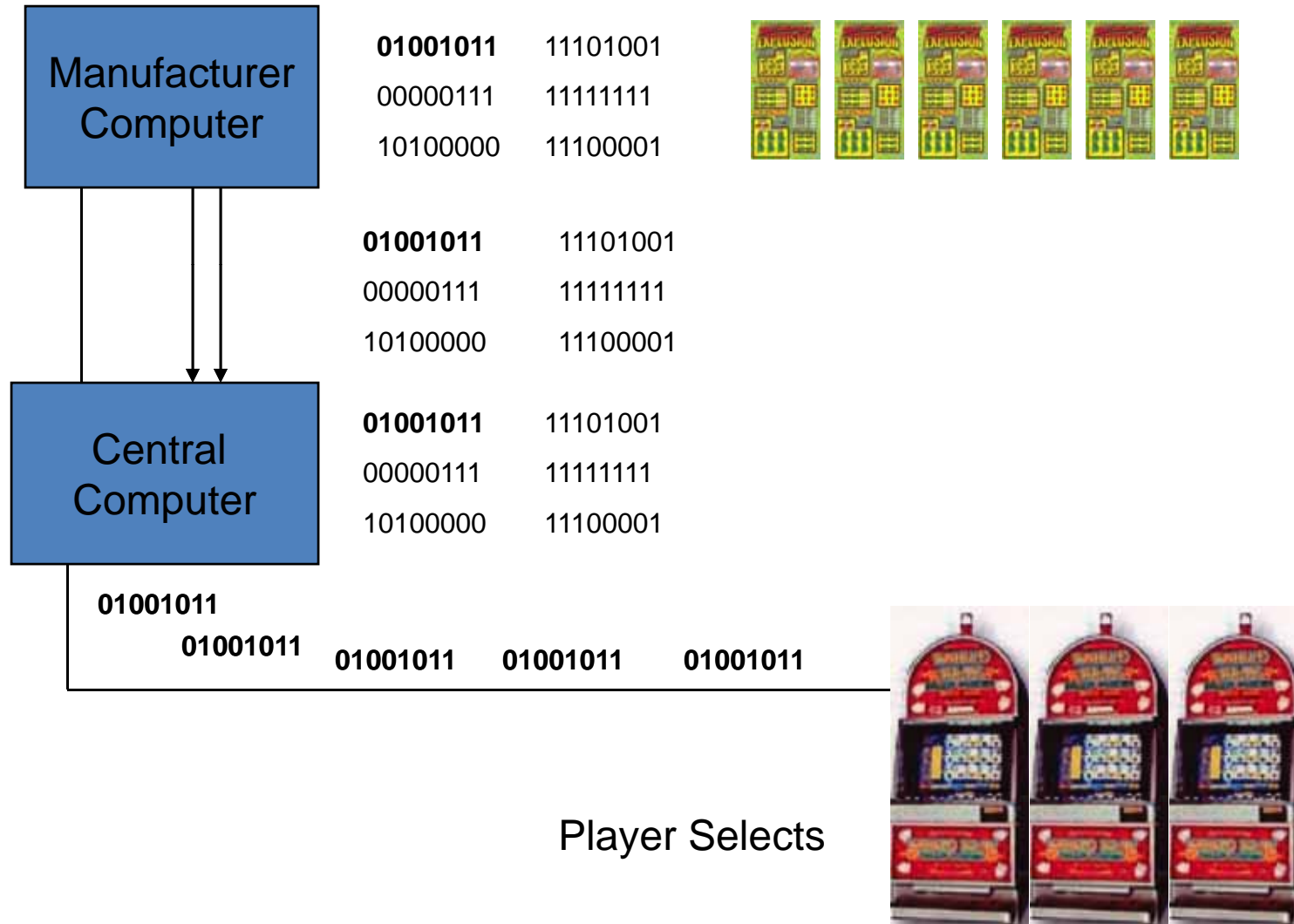
- Parties Negotiated An Online And Scratch Ticket Lottery In Electronic Format That Has Become Known As Appendix X
- Negotiated Compact Amendments With Requesting Tribes

Scratch Ticket to Electronic Scratch Ticket



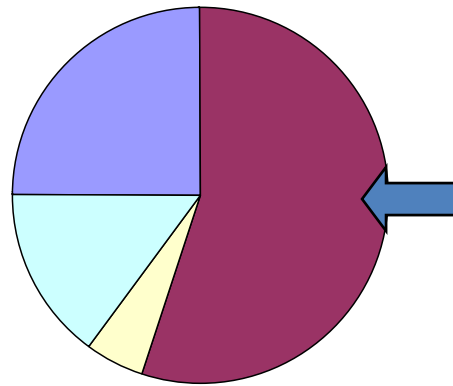
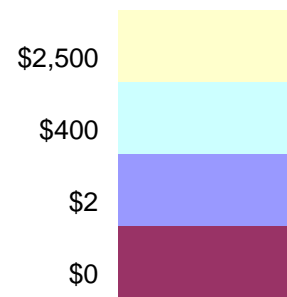
01001011 (Electronic Ticket)

Electronic Lottery Scratch Ticket System



Typical Slot Machines

Random Number Generator



Player Selects



State Laws & Commission Rules



Federal Law & Tribal/State Compacts



THANK YOU